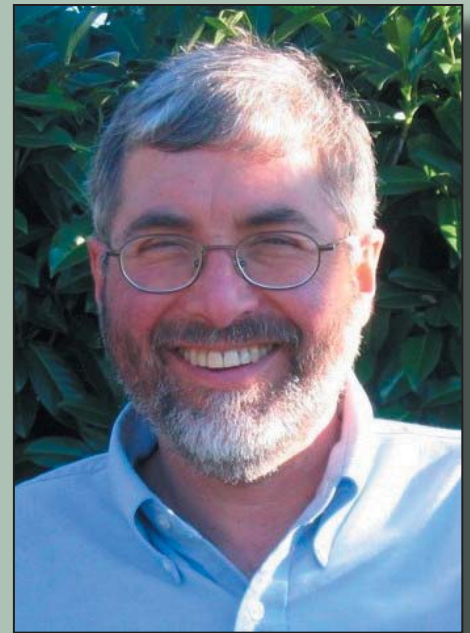


## STEVE HODES

Steve Hodes has been involved in public policy development in Washington State since 1983. Steve's career has included work for two governors, the state Legislature, and state agencies. He was a policy advisor to Governor Booth Gardner from 1988-1992 and Governor Mike Lowry from 1993-1996. Steve assisted Governor Gardner in the development, passage, and implementation of the growth management amendments of 1991 and worked on a range of growth management issues for Governor Lowry.



---

<b>Interview with:</b>	<b>Steve Hodes</b>
<b>Date:</b>	<b>August 16, 2005</b>
<b>Interviewed by:</b>	<b>Rita R. Robison, assisted by Diane Wiatr</b>
<b>Transcribed by:</b>	<b>Brian McConaghy</b>
<b>Total number of tapes:</b>	<b>2</b>

### **Tape 1, Side 1**

**Rita Robison:** This interview is with Steve Hodes, and it is about the history of Washington State's Growth Management Act (GMA). The date is August 16, 2005, and the interview is taking place at the Washington State Department of Community, Trade and Economic Development (CTED) in Olympia. My name is Rita R. Robison, and I will be interviewing Steve Hodes today.

**Rita:** What interest did you have in land use planning and growth management before its passage in 1990?

**Steve Hodes:** I had an interest, generally, in how cities grew and in how cities were organized geographically. But my role as a government person, the public servant, in the period—say from 1988-89 into shortly before the Legislature began its deliberations in 1990—was I wanted to stay away from land use management because my prime subject area and my background was on economic development. So I saw that as pulling me dramatically away from economic development to a subject that I had a harder time getting excited about and focusing on. And then as the concern of the state, of the Governor, of people I knew who were in the House [of Representatives] staff roles and also in the House membership shifted, I got dragged into the other subject.

**Rita:** What role did you play in the passage of the GMA?

**Steve:** I didn't play a big role in the passage of the initial GMA—the GMA that was passed in 1990. I was invited to a workshop in Florida that was held in, I believe, the early fall of 1989. I know Mike McCormick attended and Tom Campbell attended and one or two other people that I knew from the state attended. And I was supposed to have gone and something interrupted it; I'm not sure whether it was family issues, or something that was hard to control. So I didn't go. Tom Campbell, who's a friend of mine, and Mike, who had

been my former boss, both said, “Oh, you really ought to go. This is going to be really significant.” And later I heard, when they came back, how it shaped their own thinking about growth management. As I discovered that this was going to become a major subject in the fall, I began to realize how much I missed [laughs].

I worked for Governor Booth Gardner on his policy staff. I was an advisor to the Governor on economic development and community development, starting in 1989 or late 1988, beginning in the second term. One of the things the Governor decided to do as this issue began to get hotter, as the state went from the position where it had real economic trouble to the fact where we were having a real economic boom, the Governor decided to appoint a blue ribbon panel.

The Governor decided to appoint a blue ribbon panel to try to determine what the state should do on growth management—the Growth Strategies Commission. I was well in the background at this time. Then it became clear that the issue might not wait until the panel was done with its work, which certainly would have been another year, year and a half after this appointment. I think it was appointed very much near the end of the year in 1989.

So my role during that first year was mainly to monitor the GMA. I was one of a couple people in the office whose job was to follow the GMA, see what happened, explore it with people, keep talking to various parties in the House and in the Senate. Because the Governor knew that if a bill passed that we would have to be involved in the bill review process and the eventual veto process. But if the bill didn’t pass, it was something that would end up going to our commission, to be able to respond to the bill process and then to propose a bill, presumably in the following year, year after. So we were monitoring it because we didn’t know exactly what our role was going to be.

**Rita:** What was the original intent of the GMA? Why do you think the GMA became law?

**Steve:** Well, perhaps we should go back to finish that former question. The other role I had—I had a role with Kaleen Cottingham in the veto process; the bill came to my desk, I covered local government issues for Booth Gardner—and I would do bill reviews. Most of the issues that came through the Department of Community Development would come to me. Kaleen Cottingham dealt with many of our environmental issues. She was a land use attorney, really more of an environmental and natural resources attorney.

So there were some issues. We did the bill review and there were two issues. One of them was the role of ports. It was Linda Christopherson who had represented the Port of Seattle, and the Port of Seattle through her skillful work, the ports were exempted from virtually every rule in the law, in the 1990 law. The question was, Should you accept that provision? There were certain pieces of the law that they fell under and most others that they didn’t. So should you accept it and, therefore, give them a special role above everyone else. Or should you veto it, which would mean that they have no role at all? So that was the choice and both options were bad.

The second issue in the bill review was SEPA (State Environmental Policy Act)—the elimination of the substantive use of SEPA in order to provide more certainty for development. This was another provision that Governor Gardner ended up vetoing. Part of the problem was there had been a lot of discussion internal to the group that negotiated the 1990 bill, but not much discussion outside of the group, with the Governor’s Office. There was also a lot of mistrust by the environmental community and by some local government actors in some of the negotiating pieces that were happening behind the scenes between the business community and the House and Senate. Particularly that issue regarding whether you should be able to maintain the substantive character

of SEPA. This was the ability that was generated in a series of court cases over many years, 20 years or so, that SEPA could be used to mitigate impacts, specific environmental impacts. What was the phrase that was used by one of the people who had later served on the growth boards? Chris Towne. She said that initially SEPA was used as a light or lamp to illuminate environmental problems so that you could begin to see impacts—and it was an important way to help you make decisions. But what do you do if there's an intruder in your house? You hit him over the head with the lamp [laughter]. That was how substantive SEPA was developed. It was a concept you didn't really see initially, why it was a good thing, but had come to believe it was a good idea because the practical matter there was no other way to stop unreasonable development. So local governments and environmental groups began to adapt SEPA to do things that they didn't have other law to deal with, particularly no growth management act, such as they had in Oregon to mitigate development problems, or even prevent inappropriate development in some cases.

In Oregon, you could actually get this substantive certainty that had headed off something like the substantive use of SEPA, because you had strong growth standards that were set statewide. So that once the environment was protected up front, you had already done a solid job of environmental protection. So the lack of any subsequent action allowed to protect the environment was less of a problem. In this state, in that 20-year period, between passage of SEPA and 1990 passage of the GMA, that wasn't the case. Nor was it actually the case in the Growth Management Act that passed in 1990.

The problem was that you were repealing substantive use of SEPA, but you were doing that without a clear sense of what the development standards were going to be because you didn't have any statewide entity that was going to define them. The assumption was they were going to be defined by the courts over time, but no one knew to what way they would be defined. So the House negotiators of the GMA asked the Governor, the environmental community, and local government to take on faith that if the GMA provisions were enacted, there would be no need for the use of substantive powers of SEPA to protect the environment. But really this was an act of faith on their part, and not shared. The developmental certainty argument made sense, but without any certainty of development standards, it was not clear what the consequences of the change to SEPA would be.

That lack of agreement between the Governor and the House leadership was a significant issue. Eventually, it was important to the veto that Governor Gardner finally did on that provision. And there was a bitter division over that veto, on all sides—between House members and the Governor, among others. It wasn't just House Democrats. It wasn't just a partisan issue. It was an issue of where you stood and the reason for all that was that that final process that extended into a long special session, all behind closed doors where the act finally became the act that ultimately passed. That set of negotiations was so hidden that if you were not privy—and among other people, the Governor was not privy, nobody in the Governor's staff, nobody in the Governor's executive agencies was privy to these behind the scenes negotiations—and if you weren't privy to them, you had no idea what was going on, whether you should trust it, whether people were being taken for a ride on one side or the other. That lack of trust ultimately led, I think in some ways, to the veto.

If the Governor's Office, for example, had been involved in that process at any time... [Speaker of the House of Representatives] Joe King was keeping the Governor's Office out. This was his bill, not the Governor's bill. If the Governor had been invited in, you probably would not have had those vetoes and you might have had a somewhat different law. You would have more understanding on the Governor's Office side of what was being intended. It would have ensured that that those provisions of the law—everybody agreed to

what they were actually doing in the act. It was that lack of agreement that led to those vetoes and ultimately to some bad feeling later on. That was part of the problem. The other part was the lack of certainty in the law, and that could not have been fixed, given the political circumstances.

We both spent a tremendous amount of time doing reviews of law and history trying to understand what would happen if we accepted or vetoed those provisions. And that was one of the more intense vetoes I've ever been involved in. In the end, the Governor vetoed those two provisions. Some people will argue that that was a big mistake that the Governor made. I think Tom Campbell would still hold that. Others think that was a really good call. We spent a lot of time then developing a network of people on the outside; people in local government, in the environmental organizations, and in business to advise us. So they were people that we worked with very closely on the 1991 amendments and also in subsequent years.

**Rita:** What was the original intent of the GMA? Why do you think the GMA became law?

**Steve:** Well, the first question about the intent is you'd have to ask whose. Whose intent? I go back to the story that I assume that you'll have somewhere in your history by Joe King, which is that his vision of the law came while he was stuck in traffic and thinking we ought to be able to do something about this. I think there was a policy and a political set of intents.

The political intent was sort of obvious; the state had gone from—when Booth had first come into office in 1985—a deep recession, a recession so deep that it basically had taken the Republican party which controlled, at that point, both houses of the Legislature and the governorship and basically led to their defeat in both legislative elections in the 1982 election and then the loss of the governorship in 1984. So that was how deep the recession was. It was the deepest recession we had until the one we've just come out of. So we'd gone from that level all the way to what was the biggest boom that we had then had until the boom we just came out of just three or four years ago.

So growth management was on everybody's mind. They wouldn't have always called it that, but the fact that traffic was backing up, that air quality was getting worse, that Puget Sound water quality was getting worse, that housing prices were going through the roof. I could have gone on for half an hour with impacts that were driving ordinary citizens crazy. So there was a political side to that. It's important for political leaders to be on the right side of that to respond to public concerns. You also want to define what a good response is if you were a person who was in politics. I wasn't in politics. I was a policy advisor, but you still had to be aware of those issues to do policy work.

Second, on the policy side, these were significant problems. The state was expected to get one to two million new residents over a period of about 15, 20 years. We're actually well ahead of the projections that were made at that point in terms of population. The question was, How were you going to accommodate those people? Would you end up losing what made the state—especially the western portion of the state—special by creating a huge slurb, just sprawl for miles? Would you become like California? That was sort of the image. Would you create a slurb that would spread from Bellingham down past Vancouver and would be wall-to-wall houses as it was in Southern California? Or would you create something else that would preserve open space and would preserve views of the mountains and would preserve these special characteristics of the state?

That was the policy that was expressed in different kinds of areas, but was the real motivator behind the passage of the act. And I think the reason—how would I say it? Why do I think it became law? Well, I think part of it was because the public really demanded something be done. That was the fundamental issue, but I

think there were political issues as well.

The real question is not why the House passed the bill, because there was a strong, very large Democratic majority and the Speaker of the House saw it as a very critical issue for his caucus. The real question is, Why the Senate, which was controlled by Republicans, passed the bill? And if I was asked my opinion, it would be because the perception was that if there wasn't some bill passed that the Republicans would have a hard time keeping the future of the party, which had to somehow relate to the suburban areas in the Puget Sound. In order to maintain a strong party, they had to have to be able to be competitive in suburban Puget Sound. If they couldn't respond to issues that were so salient in the suburbs, which is all these issues around traffic, degrading the quality of life in the suburbs, housing price increases, and schools being overcrowded—then they would somehow lose their ability to be competitive in that key area.

I think that was the political reason. But I think the policy issue was there was a big public outcry—the big press public outcry to it. I don't know if you spent much time talking to people in the press, but they were a significant player in what happened in that year—two years really—because whenever there was a real impasse, it was the press that would be pushing forward, pushing the legislative actors to go forward. That doesn't always have an impact, but that year it really did.

**Rita:** What models were used in drafting Washington's Growth Management Act?

**Steve:** I had lots of conversations both with Mike McCormick and Tom Campbell. So many of the ideas—not all—but many of the ideas that were utilized in the development of the initial act were the things that people had had exposure to—not all—but many of the people had had exposure to in the Florida conference. And they included Oregon's idea of a growth boundary.

They included Florida's idea of using infrastructure and concurrency as a tool to limit development. They included some of the development rules that were impact fee models that came from Georgia. Those are at least three that I can think of. There were others.

I would say the key players, in terms of coming up with the ideas that ultimately turned into the initial act, Tom Campbell because he was talking to Joe King about what he'd seen at the Florida conference and was active through the passage of the act. Particularly Steve Lundin because Steve was a staffer for the [House] Local Government Committee, for [Representative] Mary Margaret Haugen's committee, who had just a wealth of knowledge about local government law, both here and around the country. He knew everything, basically, there was to know about Washington local government law and also had a real good background in what was available around the country and was a very good researcher. He wrote, I think, the core element of the law. He helped identify the different models and then put them into statutory language. Mike McCormick helped because he was talking to people telling them about the tools that he'd learned about at the Florida conference.

And then finally, I would say that the transportation model was its own thing. Representative Ruth Fisher basically had been negotiating with members and with interest groups for a good year before and had a bill basically ready to roll in the following session. And that piece was basically just imported into the Growth Management Act. So that was its own thing. I'm not sure where she got her model from—you'd have to talk to the transportation staff.

**Rita:** So tell us about the Legislature process. Joe King had some dynamic committee chairs. How did this work? Was everyone charged up?

**Steve:** I talked to members some about this. I would definitely talk to Tom Campbell about it, and I would talk



to various participants, other participants in the legislative process—a lot of staffers because I had worked in the legislative staff in the House. So I talked to a lot of friends who were legislative staffers and also to lobbyists who I'd gotten to know when I was in the House.

The bottom-line was that Joe King gave the initial marching orders. He said, "This is where I want you to go. I want a bill that has this broad direction that deals with growth management in all of its characteristics. I want it to be powerful. I want it to be strong and I don't want you to let up." He would give the basic marching orders. He set the structure of how many committees would be involved, what committees would get portions of the bill, and the general model of developing the bill in multiple committees; then putting it together in Appropriations, sending it to the Senate, and putting pressure on the Senate. So he was the key strategist and his staff were key in that, sort of setting the broad parameters.

There were certain members that were particularly key, but for different roles. I think, again, Ruth Fisher basically was given her own room to develop the transportation piece. Everybody already knew that there was a bill basically done—that just the detail crafting had to be done on it and actually much of that had already been finished before the session started.

It was clear that the core fundamentals of the land use planning were going to be in Mary Margaret Haugen's bill—and it was trusted that Steve Lundin would be doing the main staff work drafting for her. The real issue was, there was going to be an ongoing dynamic between Joe's staff and Mary Margaret's staff to make sure that what was drafted didn't go too far because there was some sense that they knew both Mary Margaret and Steve Lundin were going to charge forward. They were going to get as much as they could out of that set of provisions because they were sort of central to the act.

Maria Cantwell was given economic development. But it was also clear that Maria was going to be pushing and selling the bill, so she had a political role that was separate from her legislative role. I didn't think her work in developing economic development provisions was half as important as her role politically, which was very significant. Joe worked very closely with her, as I understand. The central role that she played in her policy role was really the idea of urban/rural—that you were going to move growth from overcrowded urban areas and the rural areas needing more growth. There was a lot of cynicism among some people that that was a viable vision. So some people really bought it and that was why they wanted to push these provisions along. Other people were quite cynical about that idea, both inside and outside the process.

Then Jennifer Belcher, her role was on natural resource-related issues. It was clear that she was very important in defining what lands were going to be saved. So the critical areas pieces were important contributions. I think she was important in defining which areas were going to be set aside, planned for, but I think that her initial vision was much more expansive than what eventually got into the law. Trying to remember who were the other members...

**Diane Wiatr:** Busse Nutley...

**Steve:** Oh, Busse right, for housing. In some ways Busse didn't play as significant a role as she might have. Everybody agreed that housing was a critical thing. I spent a lot of time talking with Mike McCormick about housing and the importance of housing in growth management. They'd been told that if you're not careful, that if a lot of attention is not paid to housing as the bill goes on over time in implementation, you can end up with significant housing cost problems. So, it's not clear to me that Busse's provisions adequately dealt with either the cost issue or with housing types—she did focus on diversity of housing types. But it's unclear to me

whether or not both provisions were central to how the law actually played out in the real world.

What was important was, in some way, the mystique of the Steel Magnolias. The idea that there are all these women chairs, who were very powerful and had a strong role in shaping this major piece of legislation, captured the imagination of both the people who were in the process and also outside of the process. So that was significant in that way, and I think that helped the press tell the story.

**Rita:** Tell us about what you mean about captured in the press. Did the press write about these chairs...

**Steve:** Oh, constantly [laughs]. Constantly. They wrote about the chairs, not so much to profile them, but they would tell their stories. They would talk about Maria, they would talk about the Steel Magnolias. They would talk about the fact that this was this hard-charging piece of legislation. Inside the legislative process it appeared—if you were inside the House, it was this fireball of energy—absolutely intense—very, very intense drafting. You'd hear about it from everybody.

They would keep secrets about what was happening behind the closed doors. But everybody knew how powerful it was, and everybody I would talk to would just be stunned by it. They were also exhausted because the work was so hard. I know a lot of people who were actually doing drafting, but at the same time—and the lobbyists felt locked out. They would be able to influence legislation later on in the process, but at that point, they had very marginal roles.

There were a lot of behind-the-scenes conversations. I know, for example, that Tom Campbell would be having conversations behind the scenes with environmentalists and with people in the business community and a variety of other interests. I think Maria Cantwell was doing that as well as were some of the other members and staffers. But the core of this was, even with all those private conversations, this was heavily driven by the speaker and it was like a fireball out of the House. It was amazing how fast it moved given the complexity of the legislation. The press was constantly covering it because it seemed like a fascinating story.

**Rita:** Tell us about the opposition to the GMA. How were they accommodated?

**Steve:** In the House, not at all, or very little. I'm sure that if you ask Tom Campbell or Steve Lundin or Mary Margaret Haugen, they would describe ways they were accommodated. I'm sure local government was accommodated, even though they didn't love big chunks of the law. There was a lot of discussion with local government at the staff level to see whether or not they could actually live with what was being done, so they could actually accommodate it. The accommodation for business started in earnest after the bill left the House.

There were significant problems from the beginning from rural areas. The key accommodation was something that later came to haunt us in the second year.

The model that many people had for what a good growth management law was—that is one that was effective not just in becoming law, but in solving the growth management issue—was Oregon. Not because Oregon was perfect, but because it was effective, because it had a strong rule-making process, because the rules were consistent and it had lasted for many, many years. It was clear from the beginning that this statute was being drafted with Oregon as the kind of counter-model. That was the alternative, we were not going to be Oregon.

That meant that you were trying to figure out a way, at every stage, to draft a bill that would accomplish key growth management objectives while leaving enormous room for local diversity. It wasn't clear that we actually were more diverse than Oregon, but there certainly was that sense, at the time, that we were and that we were going to learn from their mistakes. So there was a lot of discussion, I know, with local government to

make sure that you could—that even rural government could live with the act. Basically the key reason they could live with the act was its flexibility, because so much of it was defined at the local level. I would say that there was some sense in which this was an entirely—a little disingenuous quality to this because it was clear from the beginning, by the drafters, that what you were developing was a kind of web of regulations.

It wasn't that any particular regulation would take you in the right direction. It was the enormous complexity and the diverse regulations that would push you toward good behavior, good performance, and maybe ultimately even toward a more centralized system—just because it would be too difficult to operate with so many regulations rather than asking someone to interpret them for you. At least, that was what I heard from some who were working on the bill when it was first being done.

You probably have to ask Tom Campbell and others how business was being accommodated in that initial period in the House. They had a significant, significant role in being accommodated when the bill came to the Senate. Let me go back a little bit to the process. The bill in the House—you had very, very difficult—very strong provisions coming out of each of the committees.

Then there was a major period where all these were pushed into a common bill, with significant redrafting in the Appropriations Committee. Then it was shot out to the floor and virtually no changes were made on the floor.

So then, it was moved to the Senate, where you basically had some stonewalling by Jeannette Hayner, who was a very, very strong majority leader in the Senate for the Republicans. At some point, Jeannette decided she was going to see if a bill could be accommodated that would meet her political objectives; which is to not cause problems for suburban members in her caucus and for the future of the caucus, but at the same time would be acceptable to both the business community that was her constituency and also be something that the House would finally accept. So you would actually not have a total jam-up.

When that happened, many of the business lobbyists worked together. Enid Layes and Linda Christopherson were ones that I remember but there must have been ten or 12 major business lobbyists involved. There were significant meetings. You'd have to ask some of them.

There were significant meetings that went on and there was a ton of research that went on by—Keith Dearborn is a person that I remember. I'll remember them as we go through this conversation, I think. But those lobbyists would then be sending people from their firms out to research what was going on around the country.

So I think, for example, some of the key development regulations are where Linda Christopherson had a role. She had done significant research, and other people in her firm and other firms that worked with the business community had done research, to try to see how you would develop a model that would be—if you're going to do this or that provision, such as impact fees, what would be the most acceptable.

## **Tape 1, Side 2**

**Rita:** Could you then give us any final comments you have about the 1990 passage of the GMA?

**Steve:** Well, I think everybody would agree that it was a kind of long shot, that we'd actually have the GMA pass. Almost everybody was stunned, except maybe a few of the people who were closest to it, that it passed. And what eventually happened—and this was quite a contrast, I think, to what eventually happened in 1991—was that in the negotiations between the business community, House and Senate members, and other supporters of the bill, a kind of agreement of general terms about what the law was supposed to accomplish was developed.



It was very, very hard negotiating. There were a lot of subgroups that were developed, but there was a kind of sense that they came to a certain set of understandings—some of which were upended in the following year. For example, the idea that, on the one hand, you were going to be very protective of environmental concerns up front in your planning, but, on the other hand, what you were going to get was certainty and a change in the substantive use of SEPA.

**Rita:** What is your most interesting memory of the dynamics of the events leading up to the enactment of the Growth Management Act?

**Steve:** Its kaleidoscopic nature. I would see little fragments—that most of it was not public. There were very intense public hearings, and it was a very intense public process as well as a private process in the House. But as a practical matter, what finally became the law was negotiated behind closed doors. As it turned out—the amendments—it was very difficult to do anything on the law totally in public, because it was such an incredibly complicated area and the amount of compromise that had to be done was so complex.

But it was the fact that so much of it was behind closed doors and I would hear little stories. I would have fascinating stories from one person or another rather than an illuminating moment. And the illuminating moment that the bill passed and it was on my desk [laughter] and suddenly I had the most, what was the most intense—until that time—experience I'd ever had in government and one of the most intense experiences I've ever experienced—where we tried to figure out what to do with the difficult provisions and whether or not to recommend a veto. That led to the second year.

**Rita:** Okay, tell us about the 1991 amendments to the Growth Management Act.

**Steve:** What happened shortly after the passage of the bill, environmentalists who had felt disappointed by the final outcome of the act—many of them had been involved in the discussions with Speaker King or with staff or with legislators when the bill was initially in the House and had had conversations with people all through the process—but they were very disappointed with the outcome.

They thought, “Yes, it's a very ambitious act, but it doesn't have any certainty,” and for them certainty was the key issue—environmental certainty. The drafter of Initiative 547, the leader of those people was Dave Bricklin, who is an environmental attorney who had been a behind-the-scenes advisor, on the environmental side, to House Democrats. And Dave helped pull environmentalists together the weekend or the week after the bill passed, because he'd been working on this beforehand. But the decision was only made literally within days of the passage of the bill. I'm not so sure whether Dave waited until the Governor signed it or not—Booth signed it or not.

I'm not sure exactly when they [environmentalists] made the decision. I can't remember that very well, but it was a very short period. They decided to do a very ambitious, mega-bill that was like their environmental wish list. It did Puget Sound water quality kinds of issues, it did growth management issues, it did a variety of other pollution issues—issues that had been on the environmental calendar for a while there, that had been particularly hot in the last few years. They believed that the public's anger around growth would lead the public to accept a strong growth initiative. So they pushed for that initiative and that drove a variety of parties crazy.

Joe King spent a long time trying to decide—over a period of a week or two—Does he support that? I think it was a week—trying to decide does he support this effort. In fact, would he want to go further than what he'd negotiated or would he stand with the product of what they'd negotiated? And he ultimately decided to stand with the bill they'd negotiated.

So he became an opponent of the environmentalists that he had championed just a month before.

Similarly, Governor Gardner—who saw himself as very environmental, this is one of his strong suits—suddenly found himself—partly because of the incredibly strong opposition from the business community, but also because of the sense that the environmental community overreached—as a strong opponent.

The business community was an opponent and the Republicans were opponents from the start. And local governments were opponents to it as well.

So you had a locking of arms of everybody except the environmental community in the state's political and business community. There was a campaign and early on the Governor decided that you would not fight fire with anything but fire. And that that meant he wouldn't just say no to the environmentalists, but he wanted to say yes to environmental policy at the same time. So the decision was made early on that he was going to follow up—his alternative to the environmental initiative was going to be to direct the Growth Strategies Commission to tell us what's missing from Joe King's act and commit to passage of those provisions. And that he would make that as a promise for legislation he would then introduce and push hard to pass the following year. When that promise was made, I was dragged in—told, “This is what you're going to do the next year.” Little did I know, it was much of what I'd do for the next six years.

Ultimately, the environmental initiative lost overwhelmingly. The business community argued then that it meant there was a mandate not to go any further on growth management and possibly to roll back some of the pieces of the Growth Management Act that had been passed the previous year. But the Governor's Office basically refused to accept that and worked quietly behind the scenes with the speaker to agree that we would develop a draft bill that was going to be ours—a draft idea bill. But we knew that we were going to work with them to make sure—since we knew they were going to have to pass whatever happened, we depended on them to help make sure that something happened—that we would work closely with them at different stages as we did our drafting and also work with them to make sure that it was something that we could all live with.

So I spent the summer and the fall working behind the scenes with Mary McCumber and Dick Ford and other people of the Growth Strategies Commission, but particularly those two, trying to identify what they thought their major priorities were so we would be ready to begin drafting. We would begin to learn subject areas that the Growth Strategies Commission considered most critical. Prime among them, from the beginning, was some way of getting some certainty—the same issue as the environmentalists had. And that the question was, Were you going to let the courts just decide what was going to happen, to decide by precedent what was going to be the law in growth management? Were you going to have a growth court—which some states had. Colorado was a state that had a court—specialized land use courts, like a special division of the court system. Or were you going to create a set of boards or a single board? That was something that was more like based on how the state dealt with SEPA and with other environmental issues—either single entity or some diverse set of entities so you would allow greater diversity. From the beginning, that was a key issue that the commission was debating. Other issues include, How would you try to site hard-to-site facilities—that was a big issue. Another issue was our vesting laws. What were you going to do with the state's very liberal vesting statutes? But there were a variety of other issues.

So I spent the summer basically learning to think about growth management—I learned a lot of growth management law and land use law over the previous year or so, but I got a more intense schooling in them. And then, when the commission came out with its report, my job was to work with their staff, with Dick Ford, and a

variety of other parties in the administration to develop a set of recommendations for what we should accept.

We developed a private group of people that worked on it that included Mike McCormick; Chuck Clarke, who was then the director of DCD (Department of Community Development); Stan Marshburn, who was then the Governor's policy director. And that crew was kind of an internal body that would sort of review everything we learned and help make decisions that would then be brought to the chief of staff for the Governor and then to the Governor himself.

So everything that we did would ultimately go through that loop. We basically came up with recommendations—basically I would come up with recommendations working with the staff group. I helped develop a staff group of people that included—there's a person Cathy Ryan, a former attorney in the Code Reviser's Office that I knew. And there was staff from a number of different agencies that were behind-the-scene advisors. We had also advisors outside—people like Dennis McLerran, I remember, who's now the head of the Puget Sound Clean Air Agency, was one of our advisors. We had business advisors behind the scenes. We had land use attorneys on both sides of the issue—Jeff Eustis, for example, an environmental attorney. But there were a variety of parties. Some of them we picked up from the House, from people in the House. Some of them we developed on our own. Some of them we got from Governor's Office staff—we got them from a lot of different places. So it was both a formal and an informal reference group that we used through the entire process.

We basically agreed, finally, to a set of recommendations and took them to the Governor. The Governor came up with a bill, which he introduced, request legislation the following year and that was House Bill 1025.

The only thing that we lost immediately was that we decided to adopt a tougher standard for vesting because we were so liberal. We had one of the most liberal vesting policies in the country. And we knew that this [vesting amendment] was unlikely to survive. We thought it would be good policy if we could pass it; it was also a throwaway. If you had to lose something, this was something that you had the least chance of keeping. We were told by one of the main business attorneys, who was a good friend, who was on the Growth Strategies Commission, a good friend of Booth, and she called—when she saw the bill she just laughed. She said that will survive less than two weeks and she was absolutely right. It lasted a week and a half after the bill got to the House.

But it was very clear once the bill came to the House that if I hadn't had friends among the staff, I would never have known what was going on. The House tried to close its doors as they had done the previous year and to try to be baronial and controlling, but the Governor wouldn't let it happen to us. He basically said, "Don't let that happen. We are not going to let this be done to us. We're going to be major parties in this and in the end we will need to be involved because they'll never be able to pass the bill the way they did the last year. There's too many things that the Senate won't be able to accept."

So there was a long period where it was very, very difficult to get information. Eventually we developed an agreement about what we had to know and a lot of people would tell us things. So that is how the process went through the House. The bill came out of the House basically in very good shape. Now it wasn't exactly what we'd proposed, but it was close enough that we all felt very good and I think the House felt pretty good about it as well. They felt that in effect, even though this wasn't what they would have chosen, they improved on their bill. They kept a lot of local autonomy. They kept a regional diversity. They maintained many of the legal standards they'd got in the first year. They created boards that had enough flexibility that they thought

they could accommodate much of Eastern Washington and non-Central Puget Sound concerns. Everybody seemed to be happy with it.

Then it came to the Senate and it was stonewalled.

And here the press played a key role. In effect, whenever you needed help you'd privately have to talk to the press, which is what we did. We developed connections in the press and we would just tell them the truth. We wouldn't spin. We literally would tell them everything we knew. We would say, "You can ask any question you want. We'll tell you the truth. We'll swear to it." And because of that—they would do the same thing with other parties—they came to trust that our truth was closer to what was really going on because they would triangulate and find that we were basically telling them what was happening.

So that with key moments, we would go to the press—sometimes with the House, but often on our own. And we would just say, "Things are stuck. Here's where the problem is. What do you think? Here's what our issues are and here's where the various parties here stand." So that was key to putting pressure on the Senate to move and eventually, later on, the Senate on getting an agreement on the bill. And I think that played a role for a number of years. I don't know if it's true any more, but for a number of years that strong active press sort of made up its mind about who to trust and was key to being able to have a Growth Management Act.

And the Senate—basically you eventually had two special sessions and the second special session... The first special session was partly on this issue. The second special session was entirely on the issue and what was finally agreed was a Five Corner process. That is the four legislative caucuses and the Governor's Office. I helped staff that. And Wayne Ehlers was our negotiator in that process. He had been a former Speaker of the House and was also the Governor's legislative liaison—key legislative advisor. He was very canny during the process.

What developed was, any piece of provision that you wanted, you had to have somebody else bring the language forward. In effect, nobody would trust anybody on any piece of language. Everything was the opposite of the year before where everything was negotiated behind the scenes. There was no trust. So you would basically agree on what needed to be in the bill and there would be lots of stonewalling. Eventually, you might get agreement on a subject area. But then, in effect, if the Democrats or the House wanted something, a particular subject to be addressed, then the initial language would have to come from the Republicans. And then, you'd have to work, word by word, through that language, which as you can imagine was an agonizing process. HB 1025 was a much less elaborate bill and much smaller bill than HB 2929, the original growth act. But it was a much harder fought bill and it had many drafting problems. The drafting problems come not from the initial draft—I'm confident not from the initial drafting that was done either in the Governor's Office or in the House—but entirely from this peculiar process where people who opposed the provision had to propose language for it and then we'd have to fight.

The legislators were both holding up their side of the bargain as people who wanted to support a particular interest group, but they also had their own common interest in not looking like fools and not leaving something this elaborate to die on the table. In coming up with common agreements, when you're in a serious negotiation, if it's real, you have a sense that you can talk like ordinary people to each other. There was a sense that the legislators thought, "We are ordinary people. We can talk common sense." And then there's all these staff people and all these interest groups and the interest groups: "They're trying to fool us and they're trying to be too elaborate. We're just going to use common sense to solve problems."

And so unlike the previous case where the environmental community or the business community or the local governments were often in the room or near the room—in this case, they were locked out of the room. Nobody who actually had to live with the law was involved in the actual room. It was a very, very peculiar process.

(Break in tape)

**Steve:** From what I can tell since, there had been quiet agreements between some of the members and some of the business interests. Some of the people in the business community were particularly concerned about the very tight restrictions on development—how you protected critical areas. Their belief was that those critical area protections were so rigorous that you would end up making development much more difficult and almost impossible in certain areas, reducing the value of their land and of their development rights, vested areas. So they had an interest in reducing the rigor of those protections.

On the other hand, they knew they had to give something that would be valuable to the Democrats in the House to make that work. The agreement behind the scenes, I believe, was to trade looser development standards in Puget Sound for some development standards statewide.

So in effect, the business community could win and so could the environmental community, in some ways assuaging some of the pain from having lost the initiative the previous fall. And there was a point in the negotiations, I just remember Pat McMullen—who has since passed away, Senator McMullen—giving me a look like, “This is the moment, son,” because we’d known each other when I worked in the House as a staffer. He was a very charming, charming fellow and he gave me that look and it became clear. You could see the looks going around the table. This proposal was put on the table by the Democrats from the House—no actually, it was put on the table by Senator McMullen. And then everybody agreed to go off and caucus. And there was a serious discussion about it and it was pretty clear that it had been discussed before this meeting. Finally, our caucus, which was all the Democratic players including the Governor and the Democrats in the House and Senate, agreed to this idea. And the major negotiators agreed to it. We went outside and the other side agreed to it, and the negotiations were done.

## **Tape 2, Side 1**

**Steve:** So, subsequently there was a lot of anger on the part of business lobbyists and the local government lobbyists, who basically believed that they had been treated badly—that the final bill wouldn’t meet their needs, was too severe, or wasn’t crafted in a fine enough way to meet their needs; and would cause them grief later. And some of it may even be true, given the peculiar way the bill was passed. But it was clear that the members were set on this. So there was a meeting in Governor Gardner’s Office, and Governor Gardner and Joe King and Jeannette Hayner came out and basically denounced everybody who would not accept the bill. They were very, very strong and no one backed away from the bill. As a result it was clear that the intent was to humiliate anybody who dared oppose the will—the united will of the Legislature. That really was what was going on.

And after that, it was pretty clear this bill was done. And from then on, even though there were many bills that were passed since—some of them quite important—this really was the core of the Growth Management Act—that was the end of it, everything else was implementation. So, are there any other questions?

**Rita:** What was the early process for local governments to begin their work under the GMA?

**Steve:** Well, I know something about it, but honestly the person who would know best about it was Mike



McCormick who was at that point the head of the DCD's initial Growth Management Division. A lot of the role that the state decided to play was technical assistance provider and as funder. The initial law had \$22 million provided to local governments in that first period. Remember 1025 was passed—there was still the real implementation to do. So you had this enormous funding stream to be able to build local staffs—local planning staffs—and a tremendous amount of hands-on technical assistance. And I would say that much of the local government work happened—from the state level—in that hands-on sort of way.

Meanwhile, our job at the Governor's Office—we had to appoint the growth boards. So my role was to work with a number of people in the Governor's Office to appoint growth board members. And that was probably our central role. But I spent lot of time with the growth staff and talking to local governments and trying to talk through what we thought the bill was.

**Rita:** In terms of how the GMA is structured, what do you think are the most important parts of the law?

**Steve:** Well, there are four or five pieces. Clearly the requirement to develop a plan and the mandatory elements of the plan. Second, the protection of critical areas. Third, the urban growth area itself—the fact that there is a limited area, which changes every so often.

Fourth, what I think has turned out to be critical, the shifted roles for cities and counties—the idea that in King County, at the time the bill was passed, significant chunks of urbanized lands were outside the cities. I don't think that's true anymore—much, much smaller numbers. I think it's created a radical imbalance in the fiscal situation of the counties, because counties increasingly don't have development revenues from commercial development inside the urbanized land that they control. They are in cities instead. Yet their costs of criminal justice have continued to escalate.

And so the counties have been caught in a fiscal squeeze, which should have been fixed in the immediate years after the passage of these laws, but nobody could ever really agree. Modest fixes have happened, but the really dramatic fix that would resolve the fiscal problems of the cities and counties really has never gotten resolved. And I think the counties are in an ongoing fiscal squeeze as a result of it.

What are the other major elements? I think the boards have turned out to be a major element because they created an elaborate amount of case law; much of it, though not all, accepted by the courts. And that, I think, has structured a lot of how people understand the law—helped make it be settled. It's still not fully settled. There's reasons for that which I could talk about, but much of the law has become settled and the boards have been critical to that.

Concurrency never did have the critical role that it was supposed to have. I think the lack of having concurrency standards—they could never be agreed to in the development of 2929 and politically you could never come up with an agreement—I think weakened the law.

I think similarly, the lack of density—a real density standard which some of which was defined based on a case by the board—has probably caused some problems. And the biggest problem, of course, was the transportation—the lack of a clear transportation funding—for roads but particularly for mass transit....

The transportation provisions of the law are fine. I think they're another key element. But the lack of a transportation solution—which began with the inability to come up easily with transportation packages that Governor Gardner could accept in the late 1980s—led to the beginning of the process—the breakdown of the bipartisan vote, bicameral agreement on transportation that has come to have such negative consequences for transportation in the state. That and the general anti-tax mood of the state. We've only started now to get over

that. Just barely.

And I think the law was built to need it—more mass transit. You needed trains or lots of express buses or something to allow for dense development in nodes around the urban area with less dense areas around it. The lack of the ability to do that—you could see that as Sound Transit has, even on such a tiny scale, developed in Seattle, you can see the beginning of that kind of development. You see a little in Tacoma as well; where when you have trains, you have a station. People can count on people being there forever and so that you can build much more dense development; if you zone right, you can build much denser development there and really shape the landscape. And the whole urban landscape would have been different if we could have done the initial mass transit the people expected when the bill was passed.

**Rita:** What significant things has GMA done to meet the goals it was intended to achieve?

**Steve:** Oh, there's about three or four things I think that it did very well. The biggest thing—looking back you get a certain historical modesty, you learn that almost everything you intend turns out differently than you intended it, you hope that your motives were good, you hope that you did the best job you could, and then history does its own thing and all sorts of other factors play out.

But the biggest thing I think it did is it revived urban and even suburban downtowns all over the region. Particularly that's true in Western Washington, but I think it's also true to some extent in Eastern Washington. I mean other than Spokane, which was already there, but all over the urban area you really see a tremendous focus on, "Let's build a real downtown. Let's zone certain areas for much higher density. Let's try to create an area for real people-to-people contact." Without it we would see much more just box stores than the linear development. I think the really interesting development has been that infill and I think it's also helped to revitalize lots of urban areas—urban areas where poverty had mainly characterized them and those areas become more attractive. In some areas that's okay, that's ended up with really healthier development, healthier neighborhoods. In other places, that's led to a lot of displacement. But I think the displacement has actually been less than I feared—certainly less than you would have expected at the time. What else—other strengths, Is that what you're asking? What were you asking?

**Rita:** Significant things...

**Steve:** Let me get back to goals. I think it built a tremendous planning capacity at the local level. One of the major problems that we discovered as people starting working on growth management—I think this happened right as the people in the House began their work—was the degree to which problems at the local government level had to do with different parts of the local government not really being involved in what other parts were doing. So a lot of unintended consequences was a really common thing.

I worked on city issues originally in DCD back in 1983, 1984, and 1985. I was developer of the Public Works Trust Fund. We spent basically a year calling local governments over and over and over again to get information. But I learned then with conversations that I had with local officials that this issue of unintended consequences—the lack of local coordination—was a tremendous problem. That doesn't happen anymore in the same way because growth management forces everything to come together in a common plan.

So it forces much greater coordination at the local level. Our infrastructure work has been more focused; other than transportation, there's been more focus on how to make sure that infrastructure is done properly because it's tied together with the plans that you have to do and with their requirements. Certainly the transportation plans have become much more solid. I'm not clear if they're refinancing them. It's not the

planning. The planning is excellent, but the financing is a huge problem.

What else has been a success? I'd say—politically very, very difficult—the critical areas. The sense that as we grow we don't have to destroy all the environmental values. That was a very important understanding back in the 1890s—with the Olmstead brothers and the development of the urban plan for maintaining parkland through Puget Sound—were actually quite progressive. But it had been ignored during a lot of the suburbanization in the later period. I think that focus, which got even heavier with the salmon problem and the owl problem, turned out to be a very important thing—the sense that you could develop even in a quite dense way and still preserve natural areas and particularly natural functions. Should I talk about the weaknesses? Because I'd say there are a few of those as well.

**Rita:** Well, before we move on, you talked about one way in which the land use patterns have changed. You talked about...

**Steve:** Infill, right.

**Rita:** Yes, so are there any other ways that land use patterns have changed?

**Steve:** Well, I think that's the biggest thing [infill]. The second is, again, with the change in the role of cities and counties.

The third has been—I think some people would have argued predictable, but it was certainly an unintended consequence both of the law, but also of the shift in land values that were created by both the huge boom in the late 1990s—much larger than anything we'd experienced before—and also of the low interest rates that the feds used to counter the bust that followed it—the 9/11 bust. I remember talking to Charlie Howard about it when we first identified it when he was working at the [Washington State] Department of Transportation. We began to identify cross commute patterns. You know, the Department of Transportation has very good methods of tracking usage on particular roads, and they began to identify really complicated commuting patterns.

For example, people commuting from all the surrounding counties into Olympia. People commuting from Yelm to Seattle or Yelm to Renton. People commuting across I-90 in the wintertime to the eastern suburbs of Puget Sound. The cross commute patterns, particularly on the West Side of the state, are just stunning. And what happened was the combination of King County as the most rigorous county in developing an urban growth boundary (in part because the mountains were so close they felt they were getting to the point where they had to), because King County was so rigorous and because the land prices jumped because there wasn't enough work on developing enough housing in King County, partly because the developers felt that the prices were so high—it led to leap-frog development out in Snohomish County, out in south King County, out in rural Pierce County.

You basically had this leapfrog development. The same thing is happening right now in Thurston County, as people are shooting for areas further outside even the little growth nodes—further outside the Olympia-Lacey-Tumwater area. And you have this leapfrog development, which some people argue was totally predictable.

Others argue it was really a consequence of huge land price increases—way out of any proportion. They happened on the East Coast. They happened in California. They happened in Chicago area, with or without growth management. Growth management may have modestly exacerbated those problems, but they certainly created, I would say, a landscape that was quite different than many of us had envisioned when we talked about

growth management. Also, a lot of the transportation problem that is even harder to solve, maybe impossible ultimately.

And I would say that that kind of level of growth also contributed to air quality problems.

You also had peculiar problems of over-zoning. You look at some place like Kitsap County; you'll see that kind of problem with lots of little lots all over rural Kitsap County. And you had problems, which I think none of us anticipated in particular counties. For example, the way that Whidbey Island—where they didn't want towns, what they wanted was linear growth and along the shoreline, very dense development along the shoreline. Or in Mason County where you developed a slurb development, spot development, all over the area south of the hook of the Hood Canal. I think a lot of that was unexpected.

**Rita:** Since the Growth Management Act was passed, governors have vetoed legislation that would significantly alter the GMA. Describe the process behind these decisions.

**Steve:** Well, you want the truth—certain parts of the process are very clear in my mind. I was involved in a number of those vetoes and a number of the bills that the Governor worked on. But the level of vividness [laughs] is so much smaller in the present than the passing and vetoing of 2929 and 1025, it's not funny.

But what became clear, there were two mandates under both governors Gardner and Lowry and I'm told from other friends also under Locke, and these two very different logics were: first, preserve the GMA, the core of the GMA, its most important provisions, but don't sweat the small stuff. If there's too much pressure building that there's a fear it will destroy the GMA, reduce that pressure. Try to pass laws that will make the act more workable for local governments, for business, for ordinary people. Don't focus on rigor to the exclusion of the main provisions of the law. That's the first thing and I think that many of the bills we passed had that character.

Second, if any bill appears to threaten those main provisions or a key environmental law—for example, SEPA would be such an issue, the agreement that sometimes SEPA might go away, but not until the environmental protections of the law were solid enough to permit it. That would be one issue that I was involved in. But almost any of the other provisions that where it seemed that the law would be substantively undermined, governors were willing to veto.

I think my most memorable, least pleasant memory, was in 1996. There was an agreement that—I can't even remember all the details of it, I remember a lot of the negotiation—there were certain parts of the law that are too rigorous. And we eventually negotiated something, but local governments were very leery of it. And I clearly understood that I only understood about 80 percent of what we'd negotiated. After it was clear that we, as we agreed to it, that we'd sort of talked ourselves into corner, local government attorneys came to us, some of the attorneys from the House and Senate came to us quietly and said, "You've gone over the line. Here's what the line is." And nobody had, of course, told us at the time, we had slowly worked our way into a corner. And I had to go to Governor Lowry and say, "I screwed up. We used your authority in the negotiation with Mary Margaret Haugen to try to pass the bill that would take pressure off the law and we went too far. We understood it too late. If you veto the bill, you're basically vetoing your own handiwork and you may also make Senator Haugen really upset." Governor Lowry said, "Well, I'll work that out with Senator Haugen, but let's talk this through." And we spent a lot of time having attorneys talk it through and he eventually decided to veto the provision. I felt like a total idiot. I was never more embarrassed than having to talk to Senator Haugen about it afterwards.

But the bottom-line with those two provisions—there was also a sense that you wanted to add to environmental values without making it unworkable for local governments or for business and without building so much pressure that the law would basically blow up. And that the pressure would build from different sources. It would either build from local governments or business that would have trouble. Or it would build from rural counties that would basically find it—their voters would get angry and so would vote in more and more conservative representatives, county commissioners, and try to undermine or ignore the law. Or it would come from voters on the urban fringe who basically felt that their land values, the dollar value of their property, had declined as new protections were enacted that affected their land.

That became an issue in Southern Snohomish County where the area's swung back and forth; in the Snohomish County Council you can see it swing back from quite liberal and protective and supportive of growth management to quite conservative and quite opposed to growth management. This has happened two or three different times. And it's all driven by the same—not the same individuals but voters in the same condition on this urban fringe, as the urban fringe moves north through Snohomish County.

**Rita:** Okay, in relation to amendments, in 1997 the rural amendments and the buildable lands amendments. So those were kind of amendments that you talked about under this criteria that would improve the Growth Management Act, but were not...

**Steve:** Correct.

**Rita:** ...that didn't take away the core.

**Steve:** I think that's true, though I wasn't directly involved. What happened at that point is I had gone to work with the House Democrats—a position of great exile. I went from the Governor's Office to a 35-person minority in the House. But Deborah Gertler who was a partisan staffer for the caucus was working those issues, so I was familiar with them in talking to her and talking to Mike McCormick and Steve Wells and other people I knew.

So I effectively kept my hand in the game. People would come to me in the caucus, members in the caucus who knew me from my experience in the Governor's Office, other staffers in the caucus, other people outside who knew me. And I would sort of play a role giving information and advice and suggestions and talking through ideas, but wasn't an active player.

**Rita:** Do you have any examples of how the Growth Management Act has shaped various communities at the local level?

**Steve:** Oh, I can think of lots of examples, but the Thurston County ones are easy because I've spent a lot of time of here. And I think looking at the attempts for a kind of downtown core in both Lacey and Tumwater would be good examples.

The growth in Redmond Town Center would be another example I thought very significant. I thought certainly, although this is something that was also tied to longer-term efforts by the Pierce County delegation to build up Tacoma, but what's happened in downtown Tacoma. They haven't yet ignited a commercial growth, but have used public money to create really quite an amazing center, which is beginning now to have commercial success as you see the housing develop all along the waterfront and the growth of all the museums and some of the subsidiary growth to both the convention center and to UW [University of Washington] Tacoma.

That's been, I think, quite an extraordinary story. It's not nearly done; whether it ultimately succeeds,



it's too early to say, but it could be quite extraordinary. I think it is amazing to find myself now going to visit Tacoma as a tourist, something I never thought I would really do.

I think that you can see some of it in redevelopment in Bellingham. I've seen that up there and in some of the special places, the attempt to fight over what happened in Bainbridge Island, how Bainbridge Island in effect incorporated as a way of protecting its urban character, its rural character. I think that was a fascinating story, very much tied to the law.

I would say that the counterexamples might be Kitsap County and Mason County—that we talked about before—where a combination of local development pressures and preexisting zoning created very, very hard to manage areas. I think to some extent Whidbey [Island] would be in that character too, though it has somewhat maintained its character.

Another example would be the attempts to protect the urban character of Port Townsend and efforts to—which is even more interesting to me—create more of an urban character in Port Angeles, which I think is really fascinating. But I think you can see it in all sorts of ways. You can see it in Yelm. Places that I would not have expected the law to have much effect. To some extent in Vancouver, it has had effects.

But again, in some places, it's much more significant than others. Some places, it's still in a relatively early stage. I think they will ultimately be successful in creating a downtown in Lacey, which would have been very far from my mind some years before. But it will take a long time. I think you're trying to develop these urban centers except when there's enormous development pressure, so you can really help use that development pressure to shape the kind of new development character of the town. It's very hard sometimes, to do these things quickly. It just takes a while. You have to have enough people who are willing to keep it.

**Rita:** How do you view growth management today?

**Steve:** A work in progress. If you look at what the landscape would have looked like without it, I think, on balance, it's a good thing. I'm proud of having been involved in it. But it is a decidedly mixed thing, largely because of the impacts on housing prices—which would already have been quite high even in the absence of growth management.

There is no question that all West Coast cities who have any urban pressure at all have very, very high housing prices. But I think that's had very negative consequences. And despite that, some of that's been offset with nonprofit housing development—which has been a good thing—it's still isn't adequate. It really had some severe pressure problems and also the transportation. That they have a huge failure, throughout the region, to finance adequately and effectively a transportation network that would have worked with growth management is a real disappointment. I think the other thing that I'd say about where growth management is today, is that it has not quite gotten over the hurdle that it takes to get fully accepted.

I would have said that until fairly recently that Oregon had gotten over that hurdle and obviously—the recent [Oregon] initiative there makes clear—that it takes a long time to really get these kind of things publicly accepted. But in general, much of the law has been accepted as the law of the land. I think the most bitter fights are over, even though I think that we have a lot of work to do to make the law do what it was intended to do.

## **Tape 2, Side 2**

**Steve:** I will say that there's one great success that people undervalue which is—even though I would have wished for greater uniformity in development standards, I think it would have led to a clearer picture. People would have a little less hard time figuring out what the law was, if we had statewide rules, or at least rules that

the state adopted differently for different characterized kinds of areas. But the fact that we didn't do that in the state has led to a much more diverse development pattern.

And so all the bitterness that people have had at different times about the growth boards; honestly, they did accommodate the differences in different areas. The Eastern growth boards were always easier. They were not as tough. The toughest growth board was always Central Puget Sound where there was the greatest support for tough laws around accommodated growth and with the other board—the board for the rest of Western Washington—being somewhere in the middle. I think that even though that has not been a totally even process, or without fights, I think, in general, it's worked the way it was intended to work.

I think that it's—we'll call it a teenager. It needs help from its friends and it needs a lot of support. But I think it's, in general, been a good law. The question for all of us, and I think it's not an answered question is, there's some things about Western Washington and Eastern Washington that are so extraordinary, an unbelievable landscape really. I mean it's not really about the built environment so much. The landscape is stunning.

You're in Olympia and you look down hundreds of feet to this huge area where the tip of the glacier came. Or you look in Seattle at these huge, glacially created, linear hills that you somehow managed to build almost vertically on. You look at Eastern Washington. There's just stunning, stunning landscapes. The Cascades with their ice volcanoes are just—really there isn't anything quite like them. And even though much of the old growth is gone, there's still enough old growth that you can see what a stunning landscape this is.

And the real question, that's always been there, Are we adequate to the landscape? Can we do a built environment and a method of living that is as good, leads to as good a quality of life, as shapely as the landscape that we live in? And I don't think the answer to that is really clear. I think if we—to the extent that we—allow significant sprawl and don't have some sort of development standards or some way of ensuring that development looks like something—that there's room for people to walk in some parts of our cities—that the transportation makes them more usable—that enough of them is protected that you always know that you're in this special place, the place where I would think where there's blackberries in the alleys and where there's apple trees everywhere.

If you don't do that, I think that something has really been diminished.

And I think it is really—even with all the work that's happened in growth management and in environmental protection and in trying to make a place that is both prosperous and livable—that that is still very much an open question.

**Rita:** If another state wanted to adopt a growth management law, what advice would you give them?

**Steve:** I would certainly say, make it simpler. Choose among key elements rather than choosing everything. And again, the question would be, Would you choose concurrency? Would you choose the use of infrastructure as the shaping tool? Would you choose an urban growth area? Would you use transportation lines? What would be the key? I wouldn't use everything. I might use two items, but you wouldn't use four or five. We over-complicated things.

And I think that I would clearly try to get a greater public acceptance—you would never get 100 percent acceptance—but if you could get a greater public push behind it and a greater understanding of what the tradeoffs are, that that'd be a good thing. I think we did get public acceptance of the need for growth management, but not a good understanding of what it really entailed. People understood it was local, they

understood there would be local planning, they understood certain of the elements, but many elements they just didn't understand. And they certainly didn't understand the complexity of it and the difficulty that it is to stay involved for a significant period of time.

Look at the fight over urban villages in Seattle; it gives you a sense of that. People should have understood that something like that was inevitable in the law and instead they saw it as an attack on their local communities. I think the other thing is talk to everybody who has done it before; anybody else who's doing it. We learned from Florida and from Oregon and from Georgia; and those states shaped our laws and we had really wonderful conversations with people in those states. I would say talk to all the people who were involved in the states that have already done it.

**Rita:** How did CTED react to the passage of the GMA?

**Steve:** You know, there's some people that are very critical of CTED, but I'm not really one of them. I think that there are moments when I wish CTED had been more directed. But in general, given the nature of the role they played, which was in the early period they were very much a financier, they could shape people's actions by finances. And they were a spreader of good information, both what the law was, but about best practices outside the state and inside the state. And I think, in general, they did a good job.

They had a much harder time as time went on in recent years just because it was less clear what their role was as the major funding declined. And the further they got from the passage of the law, the harder it was to know what their role was. It was very clear all the way through the time that Steve Wells was the director of the program what the Legislature wanted you to do. Those people were called in routinely to testify. And I don't know if that's really been as true in recent years. One reason is that the law is not as hot so that the fights aren't as critical and the staff isn't as frequently at the Legislature.

I just do know that the three elements that are key for CTED are some way of using funding and information to help shape best practices around the state. Both to go out and talk to people about what's working and what doesn't seem to be working and trying to help with that in an active way, especially if you have an added budget to do that. Second, to be an advocate for the law—not for every provision, or for never changing it, but for its major provisions—in the Legislature and out in public. That's the second role that you should play. And third is a kind of listening ear. When there are problems developing with the law, when you hear from local governments or from businesses or from others that something is really not working as intended, or is going to create a threat to the law as a whole—that you should be passing that word along to the Governor's Office, to the CTED director, to all the players; talk to legislative staff. That in effect, you should be an active player in trying to defend the law, and I think that the danger is that the further away we get from the passage of the law, that the staff function is seen as just a bureaucratic program.

It's not a bureaucratic program. It's supposed to play the role that I just described. They were envisioned that way when the law was passed. And some would say it should be a stronger advocate, a tougher player, that it should have been passing these rules. I don't think your rulemaking power would be powerful enough to do that, but I do think these other roles were always envisioned by the people who shaped the act.

**Rita:** So, do you have any additional comments you'd like to add?

**Steve:** If I look back at my own career, there's no question—despite the fact the times that I felt totally lost, frustrated, that I worked harder than I ever worked before or since, often felt out of my depth and often felt that, “Well, how did I end up doing this work?” Somehow this is the work that I did that will probably have the most

impact, beyond the time I'm around.

I think a lot of people who have worked in governors' offices and worked in the legislative staff for some extended period of time, have a parental kind of sense or a sense of being an uncle or an aunt to a policy area. That you have a long-term responsibility to see that this thing succeed. I think I will always have that feeling. I say that this was a thing that will—if we do it right, again, there's that real payoff. If you do it wrong we'll pay for it, too. Like the Angelinos, look at their region.

**Rita:** Well, tell us something about the Growth Management Act's economic development goal because that is one of the goals of the act. Joe King told us that advice he had gotten in the process from a person in Oregon was don't mess with those rural counties in Eastern Washington. But, surprisingly about ten of them opted in and a number of those did so for economic development reasons.

**Steve:** Well, I think it's a mixed bag. It's the hardest project you had to do is to deal with the rural areas in growth management. For one thing, they don't have the money, it wouldn't be growth management. It would be growth encouragement, that is really what you ought to be doing in those counties.

I mean, if you think about what Oregon was trying to do, their initial goal was not some rigorous thing; they were trying to save an endangered landscape. Eastern Oregon was not endangered. They were trying to save farmland, they were afraid of over-development in the Willamette Valley. They didn't need to mess with Eastern Oregon or big chunks of Southern Oregon to do that. Those areas would have been maintained. They wouldn't have been as pristine or as concentrated in development, but they would have been perfectly lovely areas. The real areas that were endangered were in the Willamette Valley and they could have done fine if they'd just focused on that. That was what he was talking about.

In Washington, you could have just looked at Puget Sound. You could have said, "Alright, everything from Thurston County, everything that surrounds the Sound gets it, nobody else." And you could have created a good law. Some people argued for that, certainly the Republican senators.

**Rita:** But it was the "dirty dozen," the 12 fastest growing counties, that were picked out.

**Steve:** Yeah, that's right.

**Rita:** As the focus of the law.

**Steve:** It is, but it was also clear that the law was designed in such a way to encourage people to opt in and you notice there's no opting out, which is one of the more controversial parts of the law. So I think there was always a sense that we'll try to incentivize coming in. And the key was the \$22 million, which was a lot of money, and a lot of all sorts of staff development and other work that needed to happen in rural counties all over the state. And I think that funding was a very significant portion of what drew people in.

I think that the second thing that drew people in was a general sense that if you planned for development, you might actually be able to get it. The problem was there were not many tools in the law. There were tools to encourage rural counties and rural towns to plan correctly to encourage development, but there were no other drivers to drive development even though everybody said there were. There were no major drivers that would drive development out of King County and to, say, an Eastern Washington county. They were doing things, natural things, that would drive development to Snohomish and to Skagit and to Lewis and to the Kitsap.

If you think of the next county out, if it was in Western Washington, were all going to get development

from the county that was closest to it.

There's no question that Boeing development and development in Snohomish County pushed development in Skagit. There's no question that development in the Olympia-urbanized area in Thurston County pushed development in Lewis and in Mason as it did development in Kitsap, drove development in Mason. There has been quite a bit of that kind of push and some of that the Growth Management Act did help. But I don't think it did what some of us hoped it would do in Eastern Washington, though I must admit, I was more of a cynic. I believe it was a good idea, it should happen, but I thought that you needed—economic development wasn't going to happen in Eastern Washington because you said it should move from Western to Eastern—you had to have actual infrastructure drivers.

You had to have something that would happen that would make it happen, and I don't think there was ever a hard enough push for that. I do think that the degree to which you provided tools, certain tools in terms of creating development certainty, did help some Eastern Washington counties. But if you think about what really helped Eastern Washington development, it would be things like the fact that you developed wine grapes in Southeastern and South Central Washington. So you developed a wine industry and a tourist industry that would never have existed.

Or the fact that there was a healthcare industry that was developed in Spokane that helped Spokane develop, despite the loss of other industrial jobs. Moses Lake became a good promoter for itself, but in the absence of an airport at Moses Lake—you had a proposal where you would build maglev trains from across the state... In the absence of such infrastructure, the idea that you would have major-scale infrastructure was very hard to make happen. So I honestly think I believe in the idea, but I think it was oversold. I don't know, other people may have a different opinion.

Rita: Okay, thank you.